

**Remarks:**

Claims 1-95 were pending in this application at the time of the outstanding August 15, 2006 Office Action. By this amendment, claims 1-95 have been canceled without prejudice and new claims 96-136 are presented. Applicant reserves the right to later pursue the subject matter defined by the canceled in claims in a continuation or continuation-in-part patent application. No new matter is included herein. Support for the new claims can be found throughout the application (e.g., see the Application at page 8, line 11- page 10, line 12; Figure 3; and page 15, line 27 – page 18, line 7). Thus, the currently pending claims are now claims 96-136, of which claims 96 and 113 are independent.

Also submitted herewith is an IDS that includes references recently submitted to the Examiner in parent patent application serial number 09/641,820. Of note among these references are references GX-GZ which provide additional details regarding the ARMS/400 system which is a predecessor system to the claimed invention that is described in the "Many Ways to Sell" reference cited by the Office Action. Also of note in this IDS is a Declaration submitted in the parent patent application (see Reference HI in the concurrently-submitted IDS) that discusses an improvement to the ARMS/400 system described by references GX-GZ that was first piloted by the assignee on August 19, 1999. This improvement (referred to as the ARMS/Web 1.0 system in the Weinstock Declaration; see also Figures 1 and 2 of the patent application) involved among other things Internet-enabling the ARMS/400 system. However, relative to the claimed invention, both the ARMS/400 and the ARMS/Web 1.0 systems were single vendor systems. That is, neither the ARMS/400 system nor the ARMS/Web 1.0 system were configured to allow an authorized purchaser to book rental vehicle reservations with a plurality of competitive rental vehicle service providers through a common Internet web portal.

The 8/15/06 Office Action rejected all pending claims of this application as follows:

- (1) claims 1-61 and 65-95 were rejected for obviousness based on the combination of the following references: the Walker patent (USPN 5,794,207), the Brandt patent (USPN 6,125,384) and the "Many Ways to Sell" article; and
- (2) claims 62-64 were rejected for obviousness based on the Walker patent in combination with the Brandt patent.

Applicant respectfully disagrees with these rejections for the reasons expressed below. Applicant will now explain why the new claims are patentable over these combinations of

references. In short, and reiterating comments made in previous Office Action responses, Applicant respectfully submits that the cited references are deficient in that a person having ordinary skill in the art would not have been motivated to combine the references in the manner suggested by the Office Action. Instead, the references themselves teach away from their being combined.

The rejections in the Office Action are premised on two different prior art combinations: the first being the Walker/Brandt/Many Ways to Sell combination and the second being the Walker/Brandt combination. On this subject, Applicant notes that the Office Action states that the Many Ways to Sell article fails to teach that rental vehicle reservations are automatically accepted by the rental vehicle software program (e.g., see Office Action; page 3). However, Applicant notes that the ARMS/400 system that is the subject of the Many Ways to Sell article was in fact configured to automatically accept rental vehicle reservations from authorized purchasers.

Nevertheless, Applicant respectfully submits that a person having ordinary skill in the art would not be motivated to combine the Walker patent with the ARMS/400 system of the Many Ways to Sell article (and/or the technology of the Brandt patent) for at least the following reasons, which are explained below in greater detail: (1) there is no motivation to use the technology described in the Walker patent in a multi-vendor system where orders from an authorized purchaser are automatically accepted by a vendor which has been selected by the authorized purchaser from among a plurality of competitive vendors, and (2) there is no motivation to use the Brandt system in connection with *inter-company* e-business transactions.

First, with respect to the ARMS/400 system described in the Many Ways to Sell article, this ARMS/400 system did not provide authorized purchasers of rental vehicle services with the ability to select a rental vehicle service provider for a reservation from among a plurality of rental vehicle service providers. The ARMS/400 system described in the Many Ways to Sell article only allowed an authorized purchaser to place a reservation with a single rental vehicle service provider. (See Paragraph 5 of "Declaration B of David Smith" which was previously submitted).

Second, the Walker patent discloses a system designed to allow a buyer to submit a single conditional purchase offer (CPO) to multiple sellers. Walker also discloses a rental

vehicle CPO as an example. (See Walker; col. 16, line 6). The CPO details what the buyer wants and the conditions under which the buyer will buy. (See Walker; col. 8, lines 46-56). To effectuate the transaction that is the subject of a CPO, a seller needs to review the CPO and evaluate whether it is worthy of acceptance (i.e., are the price and conditions agreeable to the seller?). (See Walker; col. 9, lines 17-30). Once accepted, the Walker system creates what is deemed to be a legally enforceable contract between the buyer and seller (for which Applicant reads the Office Action as drawing an analogy to a rental vehicle reservation). The Walker patent also discloses that the system should provide the seller with the ability to issue a counteroffer to the buyer. (See Walker; col. 22, lines 52-63). There is no teaching present in the Walker patent that describes how the acceptance process can be automated; that is, under Walker, human intervention is required for a seller to accept a CPO.

Sellers can obtain CPOs of interest for their review by either browsing a CPO database or by configuring the system to automatically forward CPOs of interest to them. (See Walker; col. 18, lines 15-33). Thus, the Walker system relates to a "buyer-driven" market whereby multiple sellers will presumably compete to accept an offer from a buyer that is set on the buyer's terms. Essentially, there is a race such that the first seller to accept the buyer's terms wins the sale. (See Walker; col. 9, lines 24-30). Thus, the buyer does not control, or choose in any meaningful way, the particular seller he wishes to place the reservation with.

Under Walker's reverse auction system, a buyer can "lowball" his/her buying price relative to the imposed buying conditions (e.g., \$30 a night for a 4 star hotel room in midtown Manhattan) in the hope of there being a seller willing to accept the offer. Because the Walker system allows the CPO to be *multicast to numerous potential sellers (or numerous potential sellers may browse the database for CPOs of interest)*, the buyer has a hope of finding a seller willing to accept his/her CPO with a minimum of effort on the part of the buyer. In a system such as this, sellers are disadvantaged by the fact that the buyer is setting the price and conditions of the sale. *Accordingly, it must be reiterated: the essence of the Walker patent is that it teaches a "buyer-driven" market for a buyer to submit a single CPO for review by multiple sellers. The buyer has no control over who the seller is other than it is one of a group of potential sellers, and there must of necessity be several communications sent between buyer and seller, and in some instances more than several in the event of counteroffers.*

Applicant respectfully submits that a person of ordinary skill in the art would not be motivated to combine the Walker system with the ARMS/400 system of the Many Ways to Sell article because in doing so, the advantage of automatic acceptance by the rental vehicle service provider of the authorized purchaser's reservations would be lost, as well as the ability of the authorized purchaser to choose the rental vehicle service provider with which it does business. Thus, Applicant strongly disagrees with the Office Action's statement that the asserted combination would increase efficiency and reliability when handling rental vehicle reservations. (See Office Action; page 4, lines 3-4; page 17, lines 1-2). Not only would the resultant combination fail to meet all limitations of the claims (e.g., see the limitations in independent claims 96 and 113 that are directed toward automatic acceptance of a rental vehicle reservation from the authorized purchaser without human intervention on the part of the rental vehicle service provider's personnel; see also the limitations in claims 96 and 113 wherein the authorized purchaser is given the power to select the rental vehicle service provider that the rental vehicle reservation will be booked with), but the resultant combination ***would significantly degrade the quality of service provided by such a reservation creation/management system.***

In fact, upon a review of the Walker patent and the ARMS/400 system described in the Many Ways to Sell news article, Applicant asserts that a skilled person would not be motivated to incorporate Walker's technique of submitting a CPO to multiple sellers into the ARMS/400 system to achieve the limitations of the claims because the use of Walker's CPO submission technique would result in the elimination of the efficiency and certainty provided by the automated reservation processing aspects of the claims. Under Walker, ***human intervention*** and review is required before a CPO can be accepted, thereby requiring not only time to review and analyze the CPO but also multiple communications to consummate a reservation. (See Walker, col. 18, line 15 – col. 19, line 12). However, the ARMS/400 system of the Many Ways to Sell article was designed for high volume reservation handling with minimal communications. (See Declaration B of David Smith, paragraph 5). As explained in the Declaration B of David Smith (see paragraphs 7 and 9 thereof), one important consideration in the design of a reservation management system is to allow authorized purchasers to book rental vehicle reservations with a specific rental vehicle service provider of their choice. If the ARMS/400 system of the Many Ways to Sell article were combined with the Walker CPO

system, the efficiency of the ARMS/400 system's ability to process high volumes of rental car reservations would be entirely lost because rental car company employees would then be required to review incoming CPOs or browse a database of CPOs to find which CPOs are worthy of further consideration, analyze those CPOs to determine their acceptability, and then either ignore or counteroffer the CPOs not worthy of acceptance. (See Walker; col. 18, lines 15-33). Further still, the certainty with which the insurance company purchaser can create reservations through the ARMS/400 system would be lost because any reservation request in the form of a CPO issued by the insurance company purchaser may be rejected by the rental vehicle service provider as being unacceptable. Worse yet, the reservation request could end up being the subject of counteroffers as per Walker's teachings (see Walker; col. 22, line 52 – col. 23, line 16), thereby initiating additional communications and further reducing the efficiency of the ARMS/400 system. Not only that, but an insurance adjuster would lose his ability to choose the rental car company he wanted to handle the reservation. Thus, a person of ordinary skill in the art would not be motivated to combine the Walker patent with the ARMS/400 system of the Many Ways to Sell article because the incorporation of Walker's teachings into a business modality such as that of the ARMS/400 system would severely detract from the value of the ARMS/400 system. (See Declaration B of David Smith; paragraph 9).

The very "buyer-driven" nature of the Walker system would motivate a skilled person in the art *not* to incorporate its teachings into the ARMS/400 system. As noted above, the transformation of the ARMS/400 system into a buyer-driven system as taught by Walker would severely impact the efficiency of the ARMS/400 system so as to negate its value.

Moreover, a person of ordinary skill in the art would not be motivated to modify the Walker technology to remove its "buyer-driven" market because, as is well-known, if a proposed modification to a prior art reference would render that prior art invention unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification. In re Gordon, 221 USPQ 1125 (Fed. Cir. 1984); *see also* MPEP §2143.01. Accordingly, a person of ordinary skill in the art would not be motivated to modify the Walker system so as to eliminate its purpose of creating a "buyer-driven" market.

Third, with respect to the Brandt patent, which the Office Action has cited for the "automated" booking features of the claimed invention, Applicant notes that Brandt merely teaches that its single vendor system supports automated acceptance of rental vehicle

reservation requests from a buyer. There are no teachings that would provide a motivation to incorporate a multi-vendor reverse auction system as described by Walker in a rental vehicle reservation management system that is configured to automatically book reservations from authorized purchasers. These and other shortcomings of the Brandt patent relative to the claimed invention were thoroughly discussed by Applicant in the amendment and response filed April 28, 2003 (see also the Declaration of Russell Ditmar that was previously submitted), and Applicant reincorporates those points herein. Furthermore, Applicant respectfully submits that a person of ordinary skill in the art would not be motivated to combine the Walker patent, the Brandt patent, and the ARMS/400 system of the Many Ways to Sell article in the manners suggested in the Office Action.

As noted in paragraphs 8 and 9 of Declaration B of David Smith, there are vast differences between the business modalities of the Walker patent (a "buyer-driven" modality designed to implement a reverse auction), the Brandt patent (a modality by which a web user can book reservations for personal use), and the ARMS/400 system (a modality in which insurance company personnel can remotely create and place a high volume of reservations with a buyer-selected rental car service provider on behalf of insured policyholders). Accordingly, a person of ordinary skill in the art would not choose to combine the business processes of these disparate references because each of these business modalities possesses its own unique set of business considerations, many of which are conflicting with the business considerations of the other business modalities.

For example, as noted above, because of the high volume nature of business modalities such as the ARMS/400 system and because of the business considerations involved therein, a buyer-driven system of submitting buyer-specified CPOs for seller review, possibly resulting in counteroffers from the sellers, would be cumbersome and inefficient in the context of processing insurance-based replacement rental car reservations. This modification would actually increase substantially the volume of communications, the required amount of human involvement needed to analyze the CPOs, and lower the throughput capability. Furthermore, the buyer loses "mastery over his offer" and the ability to control which rental car company gets the reservation. Instead, the first seller to accept gets the reservation. (See Walker, col. 9, lines 17-30; col. 19, lines 13-28.) This effectively removes one of the important controls any high volume buyer has over any seller, that of curtailing or even losing all future business for

failure to “satisfy” the buyer. Accordingly, a person of ordinary skill in the art would *not* possess a motivation to incorporate the Walker “buyer-driven” CPO market technology into a high volume, buyer selected, insurance-based replacement rental car reservation management system. (See Declaration B of David Smith, paragraph 9).

Further, because of the *inter-company* aspect of the insurance-based replacement rental car reservations business modality (which requires effective communications and data flow between the insurance company and multiple rental car service providers), the incorporation of business processes for a personal use rental car reservation system such as the one disclosed in Brandt would be ineffective. As noted in paragraphs 10 and 11 of the Russell Dittmar Declaration, the assignee of the Brandt system itself recognizes that the suitability of Brandt’s technology does not extend to inter-company data communications. Accordingly, a person of ordinary skill in the art would not be motivated to incorporate Brandt’s technology into a business environment for which even Brandt’s assignee believes the technology to be unsuitable. Simply put, a person having ordinary skill in the art would not be motivated to apply Brandt’s technology in an environment such as that of the claimed invention because the Brandt system is not capable of operating effectively within that environment.

As is well-settled, “*all* of the relevant teachings of the cited references must be considered in determining what they fairly teach to one having ordinary skill in the art. [citations omitted] The relevant portions of a reference include not only those teachings which would suggest particular aspects of an invention to one having ordinary skill in the art, but also those teachings which would lead such a person away from the claimed invention.” In re Mercier, 185 USPQ 774, 778 (CCPA 1975) (emphasis in original) (*see also Ashland Oil, Inc. v. Delta Resins & Refractories, Inc.*, 227 USPQ 657,667, 669, fn 33 (Fed. Cir. 1985) (finding error by the district court where the district court’s obviousness analysis used the claims as blueprint and failed to give “due consideration for teachings in [the prior art] references that would have led one skilled in the art to find it improper to combine [the prior art] references”) A failure to heed these mandates results in an improper obviousness rejection of a claim based on selective hindsight wherein Applicant’s claims are used against him as a map to navigate through isolated and unrelated disclosures in the prior art. Under this standard, Applicant notes that no teachings can be found in the cited references, expressly or implicitly, when considered individually or as a whole, that would lead one of ordinary skill in the art to modify

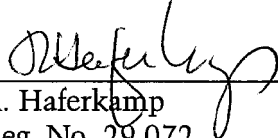
the cited references to arrive at the limitations of claims 96-136. In fact, as discussed above, the teachings in these references would discourage such a person of ordinary skill in the art to combine the cited references because of the disparate nature of the business environments in which the systems of those references operate. Accordingly, Applicant respectfully submits claims 96-136, including all independent claims therein, define patentable subject matter over the cited references.

Lastly, Applicant notes that the Office Action discounts Declaration B of Mr. Smith and the Declaration of Mr. Dittmar on the grounds of bias (because of Mr. Smith's and Mr. Dittmar's affiliation with the assignee of this patent application). (See Office Action, page 19). However, Applicant submits that is improper to entirely and summarily discount Mr. Smith's and Mr. Dittmar's statements in these declarations on the grounds of bias without addressing the substantive and objective comments found therein. For example, Mr. Dittmar's declaration provides independent, objective, third party evidence that corroborates his views of the Brandt patent in the form of a second patent application by the assignee of the Brandt patent, wherein this second patent application discusses the shortcomings of the Brandt patent's FlowMark software with respect to inter-company e-business transactions. Moreover, the comments found in both Declaration B of David Smith and the Declaration of Russell Dittmar are based on the "logic and sound scientific reasoning of one ordinary skilled in the art" that is referenced by the Office Action on page 20 as being the criteria by which the cited references are to be judged. Applicant respectfully submits that the Office Action fails to provide an adequate reason as to why Mr. Smith's and Mr. Dittmar's views would not be shared by a person having ordinary skill in the art. Instead, the Office Action has unreasonably discounted these views for "bias" and then relied on hindsight to selectively pick and choose isolated bits and pieces of the cited references in an attempt to piece together the claimed invention while disregarding fundamental aspects of the cited references that dictate against the obviousness conclusion, rather than evaluating what these references as a whole actually teach and suggest to a person having ordinary skill in the art who did not have the benefit of reading Applicant's patent application beforehand. For these reasons, Applicant respectfully submits that the rejections should be withdrawn, and the claims should be allowed.



Favorable action is respectfully requested.

Respectfully submitted,

  
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